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# A BILL FOR AN ACT

RELATING TO PUBLIC LANDS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 PART I

2 SECTION 1. The purpose of this Act is to:

3 (1) Facilitate revitalization of public lands classified  
4 as commercial and industrial use; hotel, apartment,  
5 and motel use; or resort use, that have fallen into  
6 disrepair or obsolescence by:

7 (A) Providing a means to designate public lands in  
8 need of revitalization and establish procedures  
9 for redevelopment of those lands; and

10 (B) Amending generally applicable lease requirements  
11 for public lands to remove barriers to  
12 redevelopment; and

13 (2) Designate certain public lands as the Waiakea  
14 peninsula redevelopment district.

15 PART II



1 SECTION 2. Chapter 171, Hawaii Revised Statutes, is  
2 amended by adding a new part to be appropriately designated and  
3 to read as follows:

4 "PART . PUBLIC LANDS REDEVELOPMENT

5 §171-A Findings; purpose. (a) The legislature finds that  
6 because of the policies guiding the management of public lands  
7 classified as commercial and industrial use; hotel, apartment,  
8 and motel use; or resort use, there has been little incentive  
9 for lessees to make major improvements to their infrastructure,  
10 resulting in the deterioration of infrastructure and facilities.  
11 The lack of improvements in many of these areas has resulted in  
12 dilapidation, deterioration, or obsolescence of buildings and  
13 structures.

14 The department of land and natural resources has the  
15 responsibility of planning for the disposition of these classes  
16 of public lands to determine specific uses, minimum sizes of  
17 parcels, required building construction or improvements, and  
18 lease terms and requirements.

19 The legislature further finds that the rejuvenation of  
20 public lands that have become dilapidated or obsolete or have



1 deteriorated over time is in the public interest and constitutes  
2 a valid public purpose.

3 (b) The purpose of this part is to authorize the  
4 designation of areas or regions of public lands classified as  
5 commercial and industrial use; hotel, apartment, and motel use;  
6 or resort use, pursuant to section 171-10, and to establish and  
7 implement guidelines for the redevelopment of the areas or  
8 regions that will:

9 (1) Modernize policies for the management of public lands  
10 in the designated area;

11 (2) Establish a plan for the designated area, including  
12 district-wide improvements, that is coordinated with  
13 state and county land use and planning policies; and

14 (3) Implement asset and property management concepts that  
15 can optimize income from the properties and evolve in  
16 response to changing principles of property  
17 administration.

18 **§171-B Definitions.** As used in this part, unless the  
19 context requires otherwise:



1 "Planning committee" or "committee" means the committee  
2 established for a redevelopment district pursuant to section  
3 171-D.

4 "Public facilities" include streets and highways, storm  
5 drainage systems, water systems, street lighting systems, off-  
6 street parking facilities, and sanitary sewerage systems.

7 "Redevelopment district" or "designated district" means an  
8 area of public lands designated for redevelopment pursuant to  
9 section 171-C.

10 **§171-C Designation of redevelopment district; boundaries;**  
11 **transfer to the committee.** (a) The legislature shall designate  
12 redevelopment districts by law for any area of public lands  
13 classified as commercial and industrial; hotel, apartment, and  
14 motel; or resort use pursuant to section 171-10, if the  
15 legislature determines that there is a need for planning,  
16 development, or redevelopment because the buildings and  
17 infrastructure in the area are dilapidated or have deteriorated  
18 due to age or obsolescence.

19 (b) The designation shall specify the boundaries of the  
20 redevelopment district.



1 (c) The law designating the redevelopment district shall  
2 transfer the management of the public lands within the district  
3 to the planning committee for the designated district; provided  
4 that any lessee or permittee within the designated district  
5 shall perform in full compliance with the existing lease or  
6 permit.

7 (d) All rules, policies, procedures, guidelines, leases,  
8 contracts, loans, agreements, permits, and other materials and  
9 documents adopted or developed by the department of land and  
10 natural resources to implement applicable state laws shall  
11 remain in full force and effect until amended or repealed by the  
12 committee.

13 **§171-D Planning committee; members; district**

14 **administrator; repeal.** (a) Upon the designation of a  
15 redevelopment district pursuant to section 171-C, a planning  
16 committee for the designated district shall be established  
17 within the department for administrative purposes.

18 (b) The committee shall be an executive committee for the  
19 designated district and shall consist of nine voting members, as  
20 follows:



1           (1) The chairperson of the board of land and natural  
2           resources and the director of planning of the county  
3           in which the designated district is located, or their  
4           designated representatives, who shall be ex officio  
5           members; and

6           (2) Seven members of the public appointed by the governor  
7           pursuant to section 26-34; provided that of the  
8           members appointed pursuant to this paragraph:

9           (A) Two members shall be selected from a list of  
10           three names for each nomination submitted by the  
11           president of the senate and two members shall be  
12           selected from a list of three names for each  
13           nomination submitted by the speaker of the house  
14           of representatives, in collaboration with the  
15           legislators from the county in which the  
16           designated district is located; provided further  
17           that the governor shall select a name no later  
18           than            days after receipt of each list;

19           (B) Three members shall be appointed by the governor  
20           pursuant to section 26-34; provided that:



- 1 (i) One member shall represent the business
- 2 sector within the designated district;
- 3 (ii) One member shall have experience and
- 4 expertise in the area of Hawaiian cultural
- 5 practices; and
- 6 (iii) One member shall be a member of the public
- 7 and a resident of the county in which the
- 8 designated district is located;
- 9 provided further that the governor shall appoint
- 10 these members no later than days after
- 11 designation of the redevelopment district; and
- 12 (C) The seven members of the public shall have
- 13 expertise in the development of commercial;
- 14 industrial; resort; and hotel, apartment, or
- 15 motel lands as well as expertise in at least one
- 16 of the following areas and shall be selected on
- 17 the basis of their knowledge, experience, and
- 18 expertise in:
  - 19 (i) Management of small or large businesses;
  - 20 (ii) Economics, banking, investment, or finance;
  - 21 (iii) Real estate development;



- 1 (iv) Real estate management;
  - 2 (v) Marketing;
  - 3 (vi) Hawaiian cultural practices; or
  - 4 (vii) Hotel and resort management;
- 5 provided further that of the seven members of the  
6 public, three members shall be residents of the  
7 county in which the designated district is  
8 located, and all members shall be residents of  
9 the State.

10 (c) The committee shall elect its chairperson from among  
11 its members of the public.

12 (d) The members of the committee shall serve without  
13 compensation but shall be reimbursed for reasonable expenses,  
14 including travel expenses, incurred in the performance of their  
15 duties. This subsection shall not be construed to prohibit the  
16 ex officio members of the committee from receiving their  
17 salaries and wages for their work as public officials.

18 (e) The committee shall appoint a district administrator,  
19 who shall be the chief executive officer for the designated  
20 district. The district administrator shall have expertise in  
21 the development of commercial; industrial; resort; or hotel,



1 apartment, and motel lands as well as expertise in at least one  
2 of the following areas and shall be selected on the basis of the  
3 person's knowledge, experience, and expertise in management of  
4 small or large businesses; economics, banking, investment, or  
5 finance; real estate development; real estate management; law;  
6 marketing; or hotel and resort management. The committee shall  
7 set the district administrator's duties, responsibilities,  
8 holidays, vacations, leaves, hours of work, and working  
9 conditions. The committee shall set the salary of the district  
10 administrator, who shall serve at the pleasure of the committee  
11 and shall be exempt from chapter 76.

12 (f) The committee shall be dissolved on June 30 of the  
13 tenth year following the effective date of the Act establishing  
14 the designated district.

15 **§171-E Planning committee; powers and duties; generally;**  
16 **exemption from administrative supervision of boards and**  
17 **commissions.** (a) The committee shall have the following powers  
18 and duties:

19 (1) Through its district administrator, appoint staff and  
20 employees, prescribe their duties and qualifications,  
21 and fix their salaries, without regard to chapter 76;



- 1           (2) Through its district administrator:
  - 2                   (A) Allocate space or spaces that are to be occupied
  - 3                           by the committee and appropriate staff; and
  - 4                   (B) Purchase necessary supplies, equipment, or
  - 5                           furniture;
- 6           (3) Prepare a redevelopment plan for the designated
- 7                   district that shall be submitted to the board for
- 8                   review and approval;
- 9           (4) Notwithstanding any other law to the contrary, lease
- 10                   public lands in a designated district and renew or
- 11                   renegotiate any lease in connection with any project
- 12                   contained in the redevelopment plan for the designated
- 13                   district, on terms and conditions pursuant to section
- 14                   171-F and consistent with the redevelopment plan;
- 15           (5) Prepare or cause to be prepared plans, design
- 16                   criteria, landscaping, and estimates of costs for the
- 17                   construction, rehabilitation, or repair of any project
- 18                   contained in the redevelopment plan for the designated
- 19                   district, and from time to time modify the plans or
- 20                   estimates;



- 1           (6) Conduct studies in conjunction with county and state  
2           agencies necessary to determine the appropriate  
3           activities for redevelopment in the designated  
4           district;
- 5           (7) Reduce or waive the lease rental on any lease of  
6           public land for any project in the designated district  
7           that requires substantial improvements; provided that  
8           the reduction or waiver shall not exceed one year;
- 9           (8) Make and execute all contracts and instruments  
10          necessary for the exercise of its powers and functions  
11          relating to the designated district, including  
12          engaging the services of consultants for rendering of  
13          professional and technical assistance and advice;
- 14          (9) Enter into a development agreement with a developer or  
15          developers for any project contained in the  
16          redevelopment plan; provided that the development  
17          agreement shall contain:
  - 18                (A) A description of the location, area, and size of  
19                the parcel to be developed;



1 (B) The use or uses to which the parcel shall be put  
2 in conformance with the redevelopment plan and  
3 applicable state and county laws and ordinances;

4 (C) The period of time for the construction and  
5 completion of the redevelopment; and

6 (D) Other terms and conditions that the committee  
7 deems necessary;

8 (10) Work closely and communicate with the county to  
9 coordinate the execution of the designated district's  
10 planning, incremental projects, work schedules, public  
11 works, and budget; and

12 (11) Do any and all things necessary to carry out its  
13 purposes and exercise the powers given and granted in  
14 this part.

15 (b) Notwithstanding any law to the contrary, the committee  
16 shall be exempt from section 26-35(a)(1), (4), (5), and (6).

17 **§171-F District redevelopment plan.** (a) The committee  
18 shall prepare a redevelopment plan for the designated district,  
19 including district development policies, the district  
20 improvement program, necessary public facilities, and the  
21 development guidelines and rules for the designated district.



1 In carrying out its planning activities, the committee shall  
2 comply with chapter 205A and applicable county building and  
3 zoning ordinances.

4 (b) The committee shall prepare a redevelopment plan for  
5 the designated district that:

6 (1) Establishes, if applicable, areas principally for:

7 (A) Commercial activities;

8 (B) Processing, construction, manufacturing,  
9 transportation, wholesaling, storage, and similar  
10 industrial activities;

11 (C) Resort and hotel activities, including uses that  
12 provide facilities and services for visitors; and

13 (D) Public facilities and recreational facilities;  
14 with detailed standards for height, bulk, size,  
15 and location of buildings;

16 (2) Includes a district-wide improvement program for  
17 necessary district-wide public facilities within the  
18 designated district;

19 (3) Includes plans, specifications, and estimates of the  
20 costs for the development, construction,  
21 reconstruction, or improvement of any project in the



- 1 designated district, and from time to time modify the  
2 plans, specifications, or estimates;
- 3 (4) If possible, identifies specific uses for areas in the  
4 designated district and the required parceling of land  
5 into minimum size areas related to the specific uses;
- 6 (5) Determines the lease rental that should be established  
7 for the specific uses and the terms and conditions of  
8 the leases;
- 9 (6) Establishes interim development controls to be  
10 implemented during the transition to the execution of  
11 the provisions of the redevelopment plan, such as  
12 recommending the holdover of a lessee pursuant to  
13 section 171-40 or issuance of permits pursuant to  
14 section 171-55 to existing lessees upon the expiration  
15 of their lease terms; and
- 16 (7) Allows the use of land or any building existing on the  
17 date the redevelopment plan is adopted to continue as  
18 a nonconforming use; provided that the nonconforming  
19 building shall not be replaced, expanded, or changed  
20 to another nonconforming use.



1           (c) The district redevelopment plan may provide for the  
2 withdrawal or taking for public purposes of public land or a  
3 portion of public land under a lease. The rental shall be  
4 reduced in proportion to the value of the portion of the  
5 premises condemned, and the lessee shall be entitled to receive  
6 the proportionate value of the permanent improvements legally  
7 made to or constructed upon the land by the lessee taken in the  
8 proportion that it bears to the unexpired term of the lease.

9           (d) Prior to adoption, the committee shall hold a public  
10 hearing on a proposed redevelopment plan for the designated  
11 district and shall consider the comments received and  
12 incorporate any revisions to the plan that may be necessary.

13           (e) Two years after the date the committee is established,  
14 it shall submit a report to the board with the redevelopment  
15 plan recommended by the committee with its recommendations for  
16 appropriations by the legislature or the authorization of bonds,  
17 or both, to implement the redevelopment plan in a timely manner.  
18 The board shall review and approve the recommended redevelopment  
19 plan and submit the report to the governor and the legislature,  
20 no later than twenty days prior to the convening of the 2026



1 regular session, with a request for the required appropriations  
2 and bond authorization.

3 (f) The designated district redevelopment plan shall  
4 supersede all other inconsistent ordinances and rules relating  
5 to the use, planning, development, and construction on public  
6 land in the designated district.

7 **§171-G Designated redevelopment district revolving fund.**

8 (a) A separate revolving fund shall be established for each  
9 redevelopment district designated pursuant to section 171-C,  
10 into which shall be deposited:

11 (1) Fifty per cent of the revenues, income, and receipts  
12 of the department from the public lands in the  
13 designated district, notwithstanding section 171-19;

14 (2) Moneys appropriated by the legislature to the  
15 revolving fund; and

16 (3) Any gifts, grants, and other funds accepted by the  
17 committee.

18 Each revolving fund shall bear the name used by the legislature  
19 in designating the redevelopment district.

20 (b) Moneys in each designated redevelopment district  
21 revolving fund shall be expended by the committee and used in



1 the designated district for the purposes of this part; provided  
2 that no expenditure shall be made from the fund and no  
3 obligation shall be incurred against the fund in excess of the  
4 amount standing to the credit of the fund.

5 (c) After the committee is dissolved, the unencumbered  
6 balance remaining in the corresponding redevelopment district  
7 revolving fund shall be transferred to the special land and  
8 development fund established pursuant to section 171-19."

9 PART III

10 SECTION 3. Section 171-1, Hawaii Revised Statutes, is  
11 amended by amending the definition of "public purpose" to read  
12 as follows:

13 ""Public purpose", as used in this chapter, unless the  
14 context clearly indicates otherwise, includes but shall not be  
15 limited to all public uses, the straightening of boundaries of  
16 public lands, acquisition of access to landlocked public lands,  
17 the consolidation of the holdings of public lands, development  
18 of houselots, farmlots, [~~and~~] industrial parks[-], and the  
19 redevelopment of public lands pursuant to part ."

20 SECTION 4. Section 171-35, Hawaii Revised Statutes, is  
21 amended to read as follows:



1           "~~§~~171-35 **Lease provisions; generally.** Every lease issued  
2 by the board of land and natural resources shall contain:

3           (1) The specific use or uses to which the land is to be  
4 employed;

5           ~~(2)~~ The exact commencement and termination dates for the  
6 lease, and the term and type of notice required to  
7 exercise any renewal option, if applicable;

8           ~~(3)~~ (3) The improvements required; provided that a  
9 minimum reasonable time be allowed for the completion  
10 of the improvements;

11           ~~(4)~~ (4) Restrictions against alienation as set forth in  
12 section 171-36;

13           ~~(5)~~ (5) The rent, as established by the board or at  
14 public auction, which shall be payable not more than  
15 one year in advance, in monthly, quarterly,  
16 semiannual, or annual payments;

17           ~~(6)~~ (6) Where applicable, adequate protection of forests,  
18 watershed areas, game management areas, wildlife  
19 sanctuaries, and public hunting areas, reservation of  
20 rights-of-way and access to other public lands, public



1 hunting areas, game management areas, or public  
2 beaches, and prevention of nuisance and waste; and  
3 ~~[(6)]~~ (7) ~~[Such]~~ Any other terms and conditions as the  
4 board deems advisable to more nearly effectuate the  
5 purposes of the state constitution and of this  
6 chapter. "

7 SECTION 5. Section 171-36, Hawaii Revised Statutes, is  
8 amended as follows:

9 1. By amending subsections (a) through (c) to read:

10 "(a) Except as otherwise provided, the following  
11 restrictions shall apply to all leases:

12 ~~[(1) Options for renewal of terms are prohibited;~~

13 ~~+(2)]~~ (1) No lease shall be for a longer term than sixty-  
14 five years, except in the case of a residential  
15 leasehold, which may provide for an initial term of  
16 fifty-five years with the privilege of extension to  
17 meet the requirements of the Federal Housing  
18 Administration, Federal National Mortgage Association,  
19 Federal Land Bank of Berkeley, Federal Intermediate  
20 Credit Bank of Berkeley, Berkeley Bank for  
21 Cooperatives, or Department of Veterans Affairs



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1 requirements; [~~provided that the aggregate of the~~  
2 ~~initial term and extension shall in no event exceed~~  
3 ~~seventy-five years;~~

4 ~~(3) No lease shall be made for any land under a lease that~~  
5 ~~has more than two years to run;~~

6 ~~(4)]~~ (2) No lease shall be made to any person who is in  
7 arrears in the payment of taxes, rents, or other  
8 obligations owed to the State or any county;

9 [(5)] (3) No lease shall be transferable or assignable,  
10 except by devise, bequest, or intestate succession;  
11 provided that with the approval of the board, the  
12 assignment and transfer of a lease or unit thereof may  
13 be made in accordance with current industry standards,  
14 as determined by the board; provided further that  
15 prior to the approval of any assignment of lease, the  
16 board [~~shall have the right to~~] may review and approve  
17 the consideration to be paid by the assignee and may  
18 condition its consent to the assignment of the lease  
19 on payment by the lessee of a premium based on the  
20 amount by which the consideration for the assignment,  
21 whether by cash, credit, or otherwise, exceeds the



1 depreciated cost of improvements and trade fixtures  
2 being transferred to the assignee; provided further  
3 that with respect to state agricultural leases, [~~in~~  
4 ~~the event of~~] if a foreclosure or sale[~~7~~] occurs, the  
5 premium, if any, shall be assessed only after the  
6 encumbrances of record and any other advances made by  
7 the holder of a security interest are paid;

8 [~~6~~] (4) The lessee shall not sublet the whole or any part  
9 of the demised premises, except with the approval of  
10 the board; provided that prior to the approval, the  
11 board [~~shall have the right to~~] may review and approve  
12 the rent to be charged to the sublessee; provided  
13 further that in the case where the lessee is required  
14 to pay rent based on a percentage of its gross  
15 receipts, the receipts of the sublessee shall be  
16 included as part of the lessee's gross receipts;  
17 provided further that the board [~~shall have the right~~  
18 ~~to~~] may review and, if necessary, revise the rent of  
19 the demised premises based upon the rental rate  
20 charged to the sublessee, including the percentage



1           rent, if applicable, and provided that the rent may  
2           not be revised downward;

3       ~~[(7)]~~ (5)   The lease shall be for a specific use or uses and  
4           shall not include waste lands, unless it is  
5           impractical to provide otherwise;

6       ~~[(8)]~~ (6)   Mineral and metallic rights and surface and  
7           ground water shall be reserved to the State; and

8       ~~[(9)]~~ (7)   No lease of public lands, including submerged  
9           lands, or any extension of any lease of public lands  
10          shall be issued by the State to any person to  
11          construct, use, or maintain a sunbathing or swimming  
12          pier or to use the lands for those purposes, unless  
13          the lease, or any extension thereof, contains  
14          provisions permitting the general public to use the  
15          pier facilities on the public lands and requiring that  
16          a sign or signs be placed on the pier, clearly visible  
17          to the public, that indicates the public's right to  
18          the use of the pier. The board, at the earliest  
19          practicable date, and where legally possible, shall  
20          cause all existing leases to be amended to conform to  
21          this paragraph. The term "lease", for the purposes of



1           this paragraph, includes month-to-month rental  
2           agreements and similar tenancies.

3           (b) The board, from time to time, upon the issuance or  
4 during the term of any intensive agricultural, aquaculture,  
5 commercial, mariculture, special livestock, pasture, hotel,  
6 apartment, motel, resort, school, or industrial lease, or upon  
7 the issuance or during the term of any lease to a government  
8 entity pursuant to section 171-95 or eleemosynary organization  
9 pursuant to section 171-43.1, may:

10           (1) Modify or eliminate any of the restrictions specified  
11           in subsection (a);

12           (2) Extend or modify the fixed rental period of the  
13           lease [~~;~~ ~~provided that the aggregate of the initial~~  
14           ~~term and any extension granted shall not exceed sixty-~~  
15           ~~five years;~~] upon approval by the board of a  
16           development agreement proposed by the lessee to make  
17           substantial improvements to the existing improvements  
18           or to construct new improvements; or

19           (3) Extend the term of the lease,  
20 to the extent necessary to qualify the lease for mortgage  
21 lending or guaranty purposes with any federal mortgage lending



1 agency, to qualify the lessee for any state or private lending  
2 institution loan, private loan guaranteed by the State, or any  
3 loan in which the State and any private lender participates, or  
4 to amortize the cost of substantial improvements to the demised  
5 premises that are paid for by the lessee without institutional  
6 financing.

7 (c) Any extension authorized pursuant to subsection (b)  
8 shall be based on the economic life of the improvements as  
9 determined by the board or an independent appraiser; provided  
10 that the approval of any extension shall be subject to the  
11 following:

12 (1) The demised premises have been used substantially for  
13 the purpose for which they were originally leased;

14 [~~(2)~~ ~~The aggregate of the initial term and any extension~~  
15 ~~granted shall not be for more than sixty-five years;~~

16 ~~(3)]~~ (2) [~~In the event of]~~ If a reopening~~[7]~~ occurs, the  
17 rental for any ensuing period shall be the fair market  
18 rental at the time of reopening;

19 [~~(4)~~] (3) Any federal or private lending institution shall  
20 be qualified to do business in the State;



1        [~~(5)~~] (4) Proceeds of any mortgage or loan shall be used  
2                    solely for the operations or improvements on the  
3                    demised premises;

4        [~~(6)~~] (5) Where improvements are financed by the lessee,  
5                    the lessee shall submit receipts of expenditures  
6                    within a time period specified by the board or else  
7                    the lease extension shall be canceled; and

8        [~~(7)~~] (6) The rules of the board setting forth any  
9                    additional terms and conditions, which shall ensure  
10                   and promote the purposes of the demised lands."

11        2. By amending subsections (e) and (f) to read:

12        "(e) The board, from time to time during the term of any  
13 agriculture, intensive agriculture, aquaculture, commercial,  
14 mariculture, special livestock, pasture, hotel, apartment,  
15 motel, resort, school, or industrial lease, or during the term  
16 of any lease to a government entity pursuant to section 171-95  
17 or eleemosynary organization pursuant to section 171-43.1, may  
18 modify or eliminate any of the restrictions specified in  
19 subsection (a), extend or modify the fixed rental period of the  
20 lease, or extend the term of the lease upon a showing of  
21 significant economic hardship directly caused by:



1           (1) State disaster, pursuant to chapter 209, including  
2           seismic or tidal wave, tsunami, hurricane, volcanic  
3           eruption, typhoon, earthquake, flood, or severe  
4           drought; or

5           (2) A taking of a portion of the area of the lease by  
6           government action by eminent domain, withdrawal, or  
7           conservation easement; provided that the portion taken  
8           shall not be less than ten per cent of the entire  
9           leased area unless otherwise approved by the board;  
10          and provided that the board determines that the lessee  
11          will not be adequately compensated pursuant to the  
12          lease provisions.

13          (f) The approval of any extension granted pursuant to  
14 subsection (e) shall be subject to the following:

15          (1) The demised premises have been used substantially for  
16          the purposes for which they were originally leased;

17          ~~[(2) The aggregate of the initial term and any extension~~  
18          ~~granted shall not be for more than fifty-five years;~~

19          ~~-(3)]~~ (2) The rental shall not be less than the rental for  
20          the preceding term;



1       ~~[(4)]~~ (3) The rules of the board setting forth any  
 2               additional terms and conditions, which shall ensure  
 3               and promote the purposes of the demised lands; and

4       ~~[(5)]~~ (4) The length of the extension shall not exceed a  
 5               reasonable length of time for the purpose of providing  
 6               relief ~~[and shall in no case exceed five years]."~~

PART IV

SECTION 6. The legislature finds that:

- 9       (1) The Waiakea peninsula of the island of Hawaii contains  
 10           approximately eighty-five per cent of the overnight  
 11           visitor accommodations in east Hawaii county;
- 12       (2) The State owns a large part of the Waiakea peninsula  
 13           area;
- 14       (3) There has been little incentive for the lessees in the  
 15           area to make major improvements to infrastructure,  
 16           resulting in the deterioration of the area's  
 17           infrastructure and facilities;
- 18       (4) The State has a responsibility to ensure that the  
 19           Waiakea peninsula area does not further deteriorate  
 20           and have a harmful impact on the economy of the  
 21           community as a whole; and



1           (5) The public lands in the area present an opportunity  
2           for the revitalization and redevelopment of a district  
3           where hotel, apartment, or motel; resort; commercial;  
4           and public uses may coexist compatibly.

5           SECTION 7. The legislature designates the public lands on  
6 the Waiakea peninsula on the island of Hawaii as the Waiakea  
7 peninsula redevelopment district.

8           SECTION 8. The Waiakea peninsula redevelopment district  
9 shall include the area bounded by the shoreline from the  
10 intersection of Lihiwai street and Kamehameha avenue; Kamehameha  
11 avenue to its intersection with Kalaniana'ole avenue;  
12 Kalaniana'ole avenue to its intersection with Banyan way; Banyan  
13 way from its intersection with Kalaniana'ole avenue to its  
14 intersection with Banyan drive; from the intersection of Banyan  
15 way and Banyan drive to the shoreline; the shoreline around the  
16 Waiakea peninsula, including Mokuola island, to the intersection  
17 of Lihiwai street and Kamehameha avenue.

18           SECTION 9. There is established a Waiakea peninsula  
19 redevelopment district planning committee. The committee shall  
20 be appointed as provided in section 171-D, Hawaii Revised  
21 Statutes, and shall exercise the powers and duties in the



1 designated district as authorized by chapter 171, part ,  
 2 Hawaii Revised Statutes. Pursuant to section 171-C(c), Hawaii  
 3 Revised Statutes, the public lands within the Waiakea peninsula  
 4 redevelopment district are transferred to the Waiakea peninsula  
 5 redevelopment district planning committee.

6 SECTION 10. There is established the Waiakea peninsula  
 7 redevelopment district revolving fund, into which shall be  
 8 deposited:

- 9 (1) Fifty per cent of the revenues, income, and receipts  
 10 from the public lands in the Waiakea peninsula  
 11 redevelopment district;
- 12 (2) Moneys appropriated by the legislature to the  
 13 revolving fund; and
- 14 (3) Any gifts, grants, and other funds accepted by the  
 15 Waiakea peninsula redevelopment district planning  
 16 committee.

17 The moneys in the revolving fund shall be used in the  
 18 Waiakea peninsula redevelopment district for the purposes  
 19 described in chapter 171, part , Hawaii Revised Statutes.

20 SECTION 11. There is appropriated out of the general  
 21 revenues of the State of Hawaii the sum of \$500,000 or so much



1 thereof as may be necessary for fiscal year 2023-2024 to be  
2 deposited into Waiakea peninsula redevelopment district  
3 revolving fund.

4 SECTION 12. There is appropriated out of the Waiakea  
5 peninsula redevelopment district revolving fund the sum of  
6 \$300,000 or so much thereof as may be necessary for fiscal year  
7 2023-2024 and the same sum or so much thereof as may be  
8 necessary for fiscal year 2024-2025 for the purposes of this  
9 part.

10 The sums appropriated shall be expended by the department  
11 of land and natural resources for the purposes of this part.

12 PART V

13 SECTION 13. In codifying the new part added by section 2  
14 of this Act, the revisor of statutes shall substitute  
15 appropriate section numbers for the letters used in designating  
16 the new sections in this Act.

17 SECTION 14. This Act does not affect rights and duties  
18 that matured, penalties that were incurred, and proceedings that  
19 were begun before its effective date.

20 SECTION 15. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



# H.B. NO. 1385

**1** SECTION 16. This Act shall take effect on July 1, 2023.

**2**

INTRODUCED BY:



**JAN 25 2023**



# H.B. NO. 1385

**Report Title:**

DLNR; Public Lands; Redevelopment; Revolving Fund; Waiakea Peninsula; Appropriations

**Description:**

Authorizes the designation of areas or regions of public lands classified as commercial and industrial; hotel, apartment, and motel; or resort, and the establishment and implementation of guidelines for the redevelopment of the areas or regions that will: (1) modernize the policies for the management of public lands in the designated area; (2) establish a plan for the designated area, including district-wide improvements, that is coordinated with state and county land use and planning policies; and (3) implement asset and property management concepts that can optimize income from the properties and evolve in response to changing principles of property administration. Designates the public lands on the Waiakea peninsula on the island of Hawaii as the Waiakea peninsula redevelopment district. Appropriates funds.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

